

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 TRSE-00 OMB-01 COME-00 FRB-03

CIEP-01 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 /070 W

----- 030824

R 071400Z DEC 76

FM AMCONSUL TRIESTE

TO AMEMBASSY ROME

INFO SECSTATE WASHDC 0564

AMEMBASSY BELGRADE

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E.O. 11652: GDS: TAG: PINT, IT: SUBJ: OSIMO AND TRIESTE

1. SUMMARY. THE PARLIAMENT CONTINUES TO INCH AT A SNAIL'S PACE TOWARDS

RATIFICATION OF THE OSIMO TREATY. ITS EVENTUAL RATIFICATION DOES NOT SEEM

IN DOUBT AT LEAST FROM TRIESTE'S VANTAGE POINT SINCE ALL MAJOR ITALIAN

POLITICAL GROUPS ARE CONVINCED THAT THE BORDER QUESTION MUST BE SETTLED BEFORE TITO LEAVES THE SCENE. NEVERTHELESS, SOME LOCAL TRIESTE

GROUPS CAN BE EXPECTED TO CONTINUE TO LOBBY AGAINST IT IN ITS ENTIRETY

OR IN PART WITH VARYING DEGREES OF SUCCESS. THE AGREEMENT ON ECONOMIC COOPERATION IN THE FREE INDUSTRIAL ZONE SEEMS THE MOST VULNERABLE AND IT IS LIKELY TO BE PUT ON THE REMOTEST POSSIBLE BACK BURNER AFTER RATIFICATION. FROM THE INTERNAL POLITICAL POINT OF VIEW, OSIMO MAY

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GIVEN A NEW IMPULSE TO HERETOFORE UNSUCCESSFUL EFFORTS BY ITALY'S VARIOUS FRONTIER MINORITY GROUPS TOWARDS EFFECTIVE JOINT POLITICAL ACTION. END SUMMARY.

2. OSIMO AS SEEN FROM TRIESTE: RATIFICATION OF OSIMO TREATY IS NOT IN DOUBT SINCE ALL MAJOR ITALIAN POLITICAL GROUPINGS AGREE ON THE DESIRABILITY, IF NOT THE VITAL NECESSITY, OF REACHING AGREEMENT ON THE SENSITIVE ITALIAN-YUGOSLAV BORDER WHILE TITO IS STILL IN EFFECTIVE
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CONTROL. THAT THE ITALIANS HAVE STILL NOT RATIFIED THE TREATY REFLECT

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ROME'S PREOCCUPATION WITH OTHER PRESSING MATTERS AND TO SOME EXTENT THE SUCCESSFUL EFFORTS OF LOCAL GROUPS TO BLOCK THE AGREEMENT.

3. NO LOCAL GROUP (WITH THE EXCEPTION OF THE MSI AND THE ISTRIAN IRRIDENTISTS)

OPPOSE PUBLICLY THE TREATY IN ITS ENTIRETY. INSTEAD, MOST OPPOSITION GROUPS, WHILE OBVIOUSLY UNCOMFORTABLE WITH A TREATY THAT FORECLOSES ANY FURTHER CLAIMS TO FORMER ITALIAN TERRITORY

AND ELIMINATES ANY SPECIAL STATUS FOR TRIESTE WITHIN ITALY, FOCUS ON THE PATENTLY ILL-CONCEIVED 25 SQUARE-KILOMETER FREE INDUSTRIAL ZONE WHICH WOULD STRADDLE THE ITALIAN-YUGOSLAV BORDER IN THE HILLS OVERLOOKING TRIESTE. LACK OF GAS, ELECTRICITY, WATER, INDUSTRIAL INFRA-STRUCTURE AND LABOR IN THE AREA AND THE NEAR ONE TRILLION LIRA

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INVESTMENT TO BE REQUIRED OF THE ITALIAN GOVERNMENT FOR WHAT AT BEST CAN ONLY BE CONSIDERED HIGHLY SPECULATIVE RETURNS ARE PERSUASIVE ARGUMENTS IN SUPPORT OF OSIMO'S OPPONENTS. IN ADDITION SOME ASSURED DESTRUCTION OF ECOLOGICAL BALANCE IN THE AREA AND DANGER OF SIGNIFICANT POLLUTION FOR TRIESTE ARE POWERFUL COROLLARY CONSIDERATIONS.

4. THE VARIOUS GROUPS AND WHERE THEY STAND.

A) POLITICAL: SINCE ALL MAJOR POLITICAL PARTIES SUPPORT OSIMO IN ITS ENTIRETY, LOCAL POLITICAL GROUPINGS AT THE REGIONAL AND PROVINCIAL LEVEL HAVE LITTLE CHOICE BUT TO FOLLOW SUIT. THE DC AND THE PCI HAVE BEEN THE STRONGEST EXPONENTS OF THE TREATY-- A JOINT ACT OF LITTLE COMFORT TO THE SMALLER PARTIES WHICH HAVE THUS FELT CONSTRAINED TO RAISE SOME FAINT QUESTIONS ABOUT THE TREATY. THE MSI AND THE ISTRIAN IRRIDENTISTS TALK OF TREASON AND DEMAND THE RETURN OF ITALY'S PATRIMONY BUT THEY ARE FEW IN NUMBER, EXTREME IN THEIR VIEWS AND WITHOUT SIGNIFICANT NATIONAL SUPPORT.

B) ESTABLISHED ECONOMIC INTERESTS: REFLECTING PERHAPS THE CONSERVATIVE VIEW OF A TRIESTE STILL ATTACHED EMOTIONALLY TO THE AUSTRO-HUNGARIAN EMPIRE, ESTABLISHED BUSINESS HAS BEEN CAUTIOUS. IN NO CASE HAS THE POLITICAL JUSTIFICATION OF THE TREATY BEEN QUESTIONED BUT CLEARLY

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TRADITIONAL TRIESTE WOULD PREFER TO HAVE A SPECIAL STATUS FOR TRIESTE SUCH AS ANOTHER FREE PORT AREA IN THE CITY. SIMILARLY, THE TRIESTE ASSOCIATION OF INDUSTRIALISTS HAS ENDORSED OSIMO BUT SOUNDED DOUBTS ABOUT THE VIABILITY OF THE ECONOMIC COOPERATION. OTHERS HAVE PROPOSED

A RETURN TO A FREE TRIESTE TERRITORY ALONG THE LINES OF ITS PRE-1954

SITUATION BUT AS AN INDEPENDENT AREA. THE ISSUE HAS CLEARLY DIVIDED THE ESTABLISHED TRIESTE BUSINESS AND ECONOMIC INTERESTS. IN FACT DEBATE OF THE QUESTION NEARLY LED TO AN UNHEARD OF SHOUTING MATCH AT THE NOR

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MALLY STAID PROCEEDINGS OF THE LOCAL ROTARY CLUB.

C) SMALL BUSINESS: AT THE SAME TIME, LOCAL SMALL BUSINESSMEN DO NOT UNDERESTIMATE YUGOSLAVIA'S IMPORTANCE TO TRIESTE ECONOMIC VIABILITY. AT LEAST HALF IF NOT MORE OF TRIESTE'S IMPORTANCE TO TRIESTE ECONOMIC VIABILITY. AT LEAST HALF IF NOT MORE OF TRIESTE'S RETAIL SALES ARE ACCOUNTED FOR BY YUGOSLAVS WHO LITERALLY POUR ACROSS THE OPEN BORDER INTO THE CITY EVERYDAY. BORDER CROSSINGS OF THE TRIESTE PROVINCE/YUGOSLAV BORDER ALONE WILL NUMBER MORE THAN 50 MILLION (TOTAL CROSSINGS

IN BOTH DIRECTIONS) IN 1976 AND PROBABLY MORE THAN 60 MILLION CROSSING

(BOTH WAYS) OF THE ENTIRE ITALIAN/YUGOSLAV BORDER. SUCH A MARKET CANNOT BE IGNORED IN TRIESTE WHOSE POPULATION HAS REMAINED VIRTUALLY UNCHANGED FOR THE LAST 25 YEARS AND IN WHOSE PROVINCE DEATHS OUT-

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NUMBER BIRTHS (IN SEPTEMBER 1976 THERE WERE 195 BIRTHS AS OPPOSED TO 279 DEATHS).

D) SLOVENE MINORITY GROUPS: UNION OF SLOVENES REPRESENTING THE APPROXIMATELY 20-40 THOUSAND SLOVENES IN TRIESTE PROVINCE ENDORSED OSIMO WITHOUT QUALIFICATION BUT LABELED THE ECONOMIC PORTION AN ABSURDITY. AT THE SAME TIME FOR THE SLOVENE LEADERSHIP, OSIMO REPRESENTS MERELY ROME'S AND BELGRADE'S USE ONCE AGAIN OF THE SLOVENE MINORITY GROUP AS AN INSTRUMENT FOR THEIR OWN PURPOSES. THUS, LOCAL SLOVENE LEADERS HAVE BEEN MEETING WITH OTHER FRONTIER MINORITY GROUPS IN VAL D'AOSTA AND IN ALTO ADIGE TO ORGANIZE A JOINT POLITICAL ACTION LIMITED OFFICIAL USE

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WHICH WOULD TRANSCEND EACH GROUP'S PARTICULARIST REGIONAL BATTLES (LARGELY WON) OVER LANGUAGE AND CULTURE. THE AIM IS MINORITY REPRESENTATION IN THE EUROPEAN COMMUNITY. IF THE GROUPS SUCCEED, WHICH IS HIGHLY PROBLEMATIC, ROME MAY WELL HAVE ITS HANDS FULL IN DEFUSING SUCH A MOVEMENT WHICH WOULD ALSO IMPACT ON ITALY'S POSITION ON MINORITY

AND RELATED QUESTIONS IN SUCH INTERNATIONAL FORUMS AS THE UN.

E) THE MAN IN THE STREET. THAT TRIESTE CITIZENS ARE CONCERNED ABOUT THEIR CITY'S FUTURE AND ITS RELATIONSHIP WITH YUGOSLAVIA IS APPARENT FROM THE ANTI-OSIMO GROUPS'S SUCCESS IN GETTING 65,000 SIGNATURES ON A

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PETITION CALLING FOR A FREE PORT ZONE IN THE TRIESTE INDUSTRIAL CENTE

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AS AN ALTERNATIVE TO OSIMO. RADICAL LEADER MARCO PANNELLA HAS BEEN IN TOWN STIRRING THE POT. THERE HAVE ALSO BEEN SOME THINLY-DISGUISED EFFORTS

TO STIR UP ANTI-SLAV FEELING BY PLAYING ON LOCAL FEARS ON THE "BALKANIZATION OF TRIESTE", BUT TO THE CREDIT OF ALL THIS HAS BEEN MINIMAL

.

NEVERTHELESS, TO MANY TRIESTE CITIZENS, IT IS CLEAR THAT YUGOSLAVIA AND ITS INSATIABLE CONSUMERISM IS THE SAVIOR OF THEIR CITY-- SOMETHING

WHICH OBVIOUSLY GALLS THE MANY WHO STILL PAY HOMAGE TO THE MEMORY OF FRANZ JOSEPH AND MARIE THERESE.

5. OUTCOME. LOCAL TRIESTE GROUPS MAY BE SUCCESSFUL IN DELAYING A BIT LONGER THE RATIFICATION OF OSIMO BUT THE TREATY WILL BE RATIFIED IF THE MAJOR PARTIES WANT IT. ITS IMPORTANCE IS IN THE CODIFICATION OF THE

SENSITIVE ITALIAN-YUGOSLAV BORDER WHILE TITO IS STILL IN COMMAND AND NOT

IN THE QUESTIONABLE ECONOMIC COOPERATION PROJECT WHICH WAS ONLY MEANT TO BE THE SUGAR COATING FOR AN EXTREMELY BITTER PILL. IRONICALLY, OSIMO WHICH WAS A STATESMANLIKE ACT TO REDUCE INTERNATIONAL TENSIONS MAY IN FACT PROVIDE ITALY'S MINORITY GROUPS WITH THE BASIS FOR EFFECTIVE JOINT INTERNAL POLITICAL ACTION WHICH HAS TO DATE ELUDED THEM. MOEN.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TREATY RATIFICATION, AGREEMENTS, PROGRESS REPORTS, CENTRAL LEGISLATURE, INTERGOVERNMENTAL COOPERATION
Control Number: n/a
Copy: SINGLE
Draft Date: 07 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: vogelfj
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976TRIST00228
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: DG ALTERED
Executive Order: N/A
Errors: N/A
Film Number: D760452-0835
From: TRIESTE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761264/aaaacdlk.tel
Line Count: 193
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: vogelfj
Review Comment: n/a
Review Content Flags:
Review Date: 12 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 MAY 2004 by BoyleJA>; APPROVED <09 SEP 2004 by vogelfj>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OSIMO AND TRIESTE
TAGS: PINT, IT, YO
To: ROME
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006